



# NEW JERSEY

# Wetlands Mitigation Council

New Jersey Department of Environmental Protection

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## FRESHWATER WETLAND MITIGATION COUNCIL AND DEPARTMENT OF ENVIRONMENTAL PROTECTION

### MONETARY CONTRIBUTION PROPOSAL

### CHECKLIST FOR COMPLETENESS

(1-2-13)

These are the submittal requirements for a monetary contribution to satisfy a mitigation obligation under N.J.A.C. 7:7A-15.21. Please read each section and check each area after you have fully completed the information for each applicable requirement. A monetary contribution according to the Act shall be equivalent to the lesser of the following costs: (1) purchasing and enhancing or restoring existing degraded freshwater wetlands of equal ecological value to those which are being lost; or (2) purchase of property and the cost of creation of freshwater wetlands of equal ecological value to those which are being lost.

In order to make a monetary contribution the permittee needs permission from the Department in accordance with N.J.A.C. 7:7A-15.5, 15.6 and 15.18.

Please provide an **original** copy of the appraisal and two copies of the following information and plans.

- ☐ 1. A letter from the Department of Environmental Protection, obtained in accordance with N.J.A.C. 7:7A-15.18 authorizing mitigation through a monetary contribution.
- ☐ 2. An estimate of the cost to purchase and enhance or restore an existing degraded freshwater wetland. The cost estimate shall assume that 3 acres shall be restored/enhanced for each acre of disturbance for which mitigation is required. The cost estimate shall be prepared in accordance with the "Real Estate Appraisal Requirements" checklist (attached) and include the following information placed in a table showing each individual expense:
  - a. A current real estate appraisal report prepared by a real estate appraiser currently licensed by the New Jersey State Board of Real Estate Appraisers. The report must be compliant with the most current Uniform Standards of Professional Appraisal Practice. The Report must be a self-contained Appraisal Report or a Summary Appraisal Report. Restricted Use reports will not be accepted. The report must utilize the appropriate unit of value for the subject property, for example, per building lot, per buildable unit, per acre or per square foot.

The report must estimate the current market value of the fee simple estate, or other estate if appropriate, land only, as though vacant, available, unimproved and put to its highest and best use. Do consider easements, deed restrictions, and current site improvements such as roads and public utilities and municipal approvals. Do not consider the improvements developed on the land, such as buildings, etc.

Do not isolate areas of disturbance and treat those areas as the subject property. Estimate the current market value of the entire site within record title by the appropriate unit of value and then calculate the resulting value per square foot.

The appraisal report must contain current photographs of the subject property and comparable sales. The appraisal report must contain copies of the tax plat of the subject property and the comparable sales. The appraisal report must contain a sales location map and a flood map.

- b. An estimate of how much it would cost to enhance/restore a degraded wetland of the same type and of equal ecological value to those that are being impacted by the disturbance. For example, if forested freshwater wetlands are being disturbed under the permit, the cost estimate shall assume establishment of a forested freshwater wetland. That cost estimate shall include all costs necessary to complete the proposed mitigation and monitoring in accordance with N.J.A.C. 7:7A-14, and shall include at a minimum, all of the following:
  - i. Engineering costs (include surveying of land, soil erosion and sediment control plan, grading plan, soil removal plan, wetland planting plan, calculation of a water budget etc.);
  - ii. Environmental consultant fees (include preparation of a seeding/planting and restoration plan, interface with engineering plans and personnel, permit processing costs (preparation and processing costs and application fees) etc.);
  - iii. The cost of obtaining a No Further Action letter from the DEP;
  - iv. Attorney fees (include preparation of conservation restriction);
  - v. Cost of financial assurance that complies with N.J.A.C. 7:7A-15.13 (performance bond worth at least 115% of cost of mitigation project, maintenance bond worth at least 115% of cost of monitoring and maintaining the site, including the cost to replant the mitigation area.);
  - vi. Site preparation and construction cost (include movement and disposal of soil, vegetation and debris);
  - vii. Vegetation planting costs (include an estimate from a local nursery reflecting the size and quantity of the planting material that will be used);
  - viii. Cost of supervising construction (environmental consultant, construction manager and landscaper); and
  - ix. Cost of monitoring program and monitoring reports for five years (including report preparation and data collection).
- 3. An estimate of the cost to purchase property and create freshwater wetlands of the same type and of equal ecological value to those that are being disturbed. For example, if forested freshwater wetlands are being disturbed under the permit then the cost estimate shall assume establishment of a forested freshwater wetland. The cost estimate shall assume that 2 acres shall be created for each acre disturbed. The cost estimate shall include the following information placed in a table showing each individual expense:
  - a. A current real estate appraisal report prepared by a real estate appraiser currently licensed by the New Jersey State Board of Real Estate Appraisers. The report must be compliant with the most current Uniform Standards of Professional Appraisal Practice. The Report must be a self-contained Appraisal Report or a Summary Appraisal Report. Restricted Use reports will not be accepted. The report must utilize the appropriated unit of value for the subject property, for example, per building lot, per buildable unit, per acre or per square foot.

The report must estimate the current market value of the fee simple estate, or other estate if appropriate, land only, as though vacant, available, unimproved and put to its highest and best use. Do consider easements, deed restrictions, and current site improvements such as roads and public utilities and municipal approvals. Do not consider the improvements developed on the land, such as buildings, etc.

Do not isolate areas of disturbance and treat those areas as the subject property. Estimate the current market value of the entire site within record title by the appropriate unit of value and then calculate the resulting value per square foot.

The appraisal report must contain current photographs of the subject property and comparable sales. The appraisal report must contain copies of the tax plat of the subject property and the comparable sales. The appraisal report must contain a sales location map and a flood map.

- b. An estimate of how much it would cost to create a wetland of the same type and of equal ecological value to those disturbed under the permit. That cost estimate shall include all costs necessary to complete the proposed mitigation and monitoring and include at a minimum, all of the following:
  - i. Engineering costs (include surveying of land, soil erosion and sediment control plan, grading plan, soil removal plan, wetland planting plan, calculation of a water budget etc.);
  - ii. Environmental consultant fees (include preparation of a seeding/planting and restoration plan, preparation of a water budget, interface with engineering plans and personnel, permit processing costs (preparation and processing costs and application fees) etc.);
  - iii. The cost of obtaining a No Further Action letter from the DEP;
  - iv. Attorney fees (include preparation of conservation restriction);
  - v. Cost of financial assurance that complies with N.J.A.C. 7:7A-15.13 (performance bond worth at least 115% of cost of mitigation project, maintenance bond worth at least 115% of the cost of monitoring and maintaining the site, including the cost to replant the mitigation);
  - vi. Site preparation and construction cost (include movement and disposal of soil, vegetation and debris);
  - vii. Vegetation planting costs (include an estimate from a local nursery reflecting the size and quantity of the planting material that will be used);
  - viii. Supervision of construction (environmental consultant, construction manager and landscaper); and
  - ix. Cost of monitoring program and monitoring reports for five years (including estimate of report preparation and data collection).
- 4. Provide a summary of the above findings, which demonstrates that the proposed monetary contribution is equivalent to the lesser of the of the total cost estimates of items 2 and 3.

**Proposal packages shall be submitted to:**

New Jersey Department of Environmental Protection  
Division of Land Use Regulation  
Mail Code 501-02A, P.O. Box 420  
Trenton, New Jersey 08625-0420  
Attn: Mitigation Unit

### Real Estate Appraisal Requirements

Please submit one original plus two (2) copies of a current appraisal report that meets **all** of the following minimum requirements:

- ☐ performed by a real estate appraiser with a current license from the New Jersey State Board of Real Estate Appraisers
- ☐ compliant with the most current requirements of the Uniform Standards of Professional Appraisal Practice
- ☐ reported in either a Self-Contained Appraisal Report or a Summary Appraisal Report
  - Summary Appraisal Reports must –
    - include all pertinent factors and issues
    - address all adjustments in the sales comparison approach
    - address the environmental concerns of the subject property
    - address the comparable sales
    - state and analyze the Highest and Best Use of the subject property
    - discuss assemblage potential; properties that have been assembled or have received approval for assemblage should be valued as part of the larger parcel
  - Restricted Use Appraisal Reports will not be accepted;** a Land Form is only acceptable for one to four family residential properties including supporting sales data (i.e. sales history of the subject property and of all comparable sales)
- ☐ has a **current** effective date of valuation
- ☐ estimates the current market value of the subject property, **land only**, as though vacant, available and put to its highest and best use; for example, when appraising a residential property, only consider the site improvements and bulkhead (if waterfront), easements, and approvals received disregarding any improvements such as dwellings, sheds, paving, sidewalks, swimming pools, etc.
- ☐ estimates the current market value of the entire site within record title and does not isolate any State-claimed area and treat that area as the subject property alone
- ☐ **for properties zoned residential** – utilizes and supports a per lot unit of value when estimating the current market value; any deviation such as a front foot unit of value or a square foot unit of value must be discussed and supported in the report **for other property types such as commercial, industrial, or multi-family** - clearly states the value of the entire site rather than just the unit value as other units of value such as a square foot unit value, a value per acre or a value per buildable unit may be required
- ☐ discusses the intent of the purchaser with respect to sales contracts or recently closed sales of the subject property or of comparable sales; for example, will the improvements be torn down or removed and did the existing improvements contribute any real value to the sales price?
- ☐ contains current photographs of the subject property including photographs of the front, rear, bulkhead or water's edge if applicable, piers if applicable, and any view amenities at a minimum; at least one photograph of the front should be included for comparable sales
- ☐ contains copies of the tax plat of the subject property and the comparable sales
- ☐ contains a sales location map and a flood map